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The Economic Research Service in 1984

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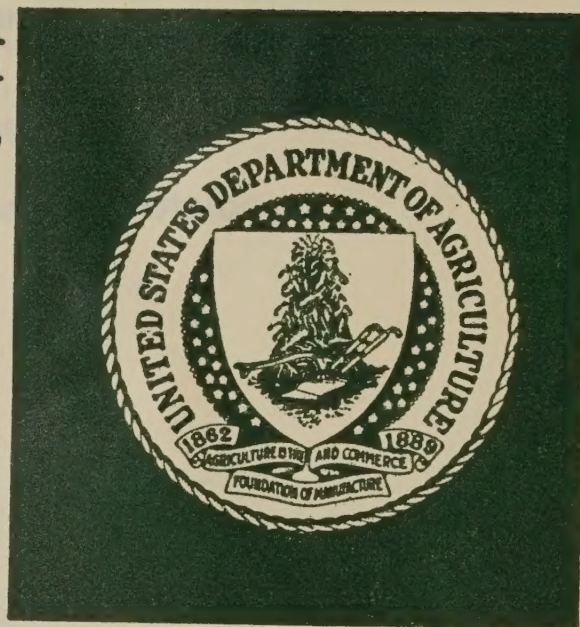
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CATALOG

Continued on inside back cover

The Economic Research Service in 1984

The Economic Research Service (ERS), an agency of the U.S. Department of Agriculture, provides economic information to aid public policy officials and program managers in developing and administering agricultural and rural policies and programs.

ERS monitors economic activity, makes short-term forecasts of key economic indicators, and develops long-range projections of U.S. and world agricultural production, demand for production resources (land, water, and manufactured inputs), and demand for agricultural commodities and food products. ERS measures returns to producers and evaluates how well the agricultural and food sectors meet the needs of domestic and foreign consumers. ERS also develops economic and other social science information on the organization and institutions of the agricultural and food system, the use and conservation of natural resources, and the impacts of alternative public and private actions on farmers, other rural residents, rural communities, natural resources, and U.S. society in general.

ERS-produced information is made widely available to farmers, farm organizations, farm suppliers, marketers, processors, consumers, and others who make production, marketing, and purchasing decisions, as well as to legislators and other public officials at the Federal, State, and local levels. ERS information is released through research monographs, situation and outlook periodicals, staff reports, professional and trade journals, radio, television, newspapers, and direct computer access.

✓ This brochure describes ERS plans to accomplish its 1984 goals. A companion brochure, *Economic Research Service Accomplishments in 1983*, provides a look at ERS achievements in the past year.

ERS has four major programs—national economics, international economics, natural resource economics, and economic development. The share of each in 1984 is depicted in the pie chart. How those shares have changed since 1978 is depicted in the bar chart. The total funds available to ERS in 1984 are estimated to be \$46 million, of which \$44 million is appropriated to ERS directly (see table). The remainder is principally funds that other USDA agencies transfer to ERS to do special studies for them. Included in the \$46 million, however, are funds for all or part of three USDA offices not administered by ERS—Office of Energy, Economic Analysis Staff, and Economics Management Staff.

Economic Research Service, Planned Resources, FY 1984

Division	Funds			Staff		
	Appropriated to ERS	Other ¹	Total	D.C.	Other locations	Total
----- Million dollars -----			----- Number ² -----			
National Economics	14.3	0.3	14.6	269	27	296
International Economics	7.3	.4	7.7	178	2	180
Natural Resource Economics	7.2	1.4	8.6	97	74	171
Economic Development	3.9	—	3.9	81	8	89
Other ³	11.1	.1	11.2	213	1	214
Total	43.8	2.2	46.0	838	112	950

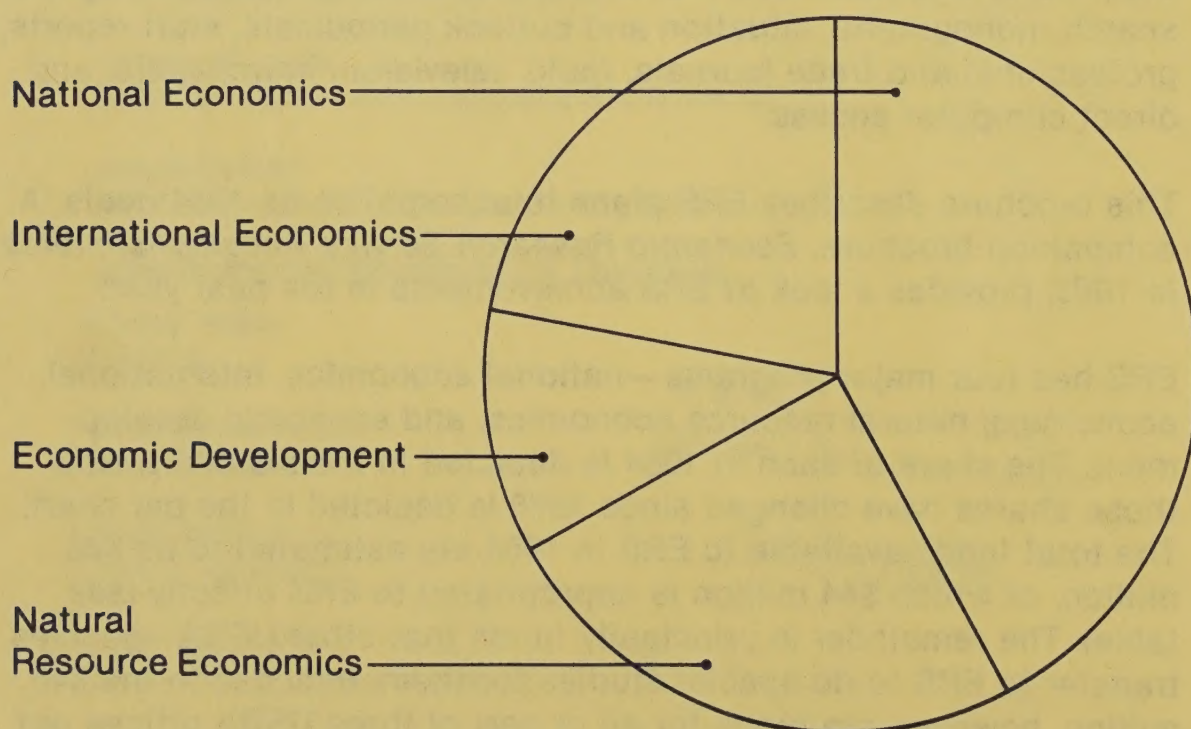
— = Less than \$50,000.

¹Principally other Federal funds.

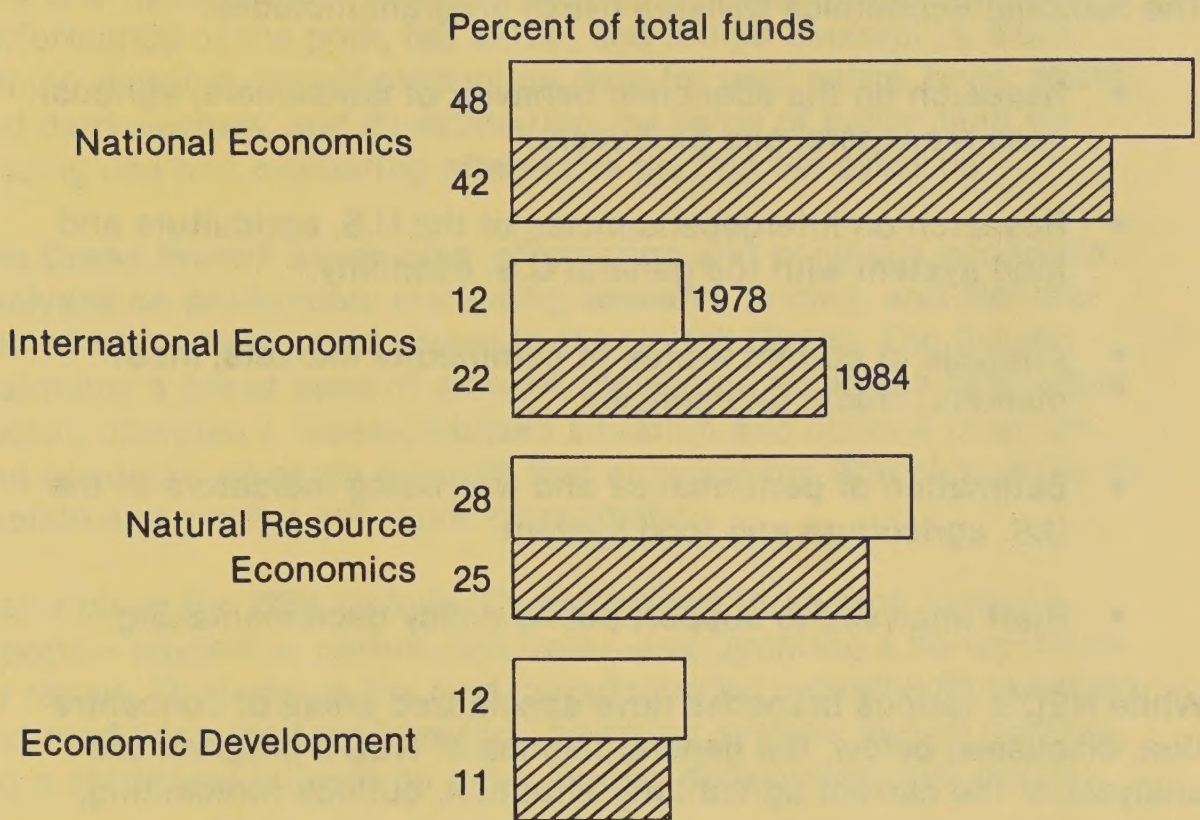
²Full-time equivalent of all employees.

³Includes administrative and management overhead, information and data services, other indirect costs, Office of Energy, Economic Analysis Staff, and one-time relocation costs.

ERS 1984 Program

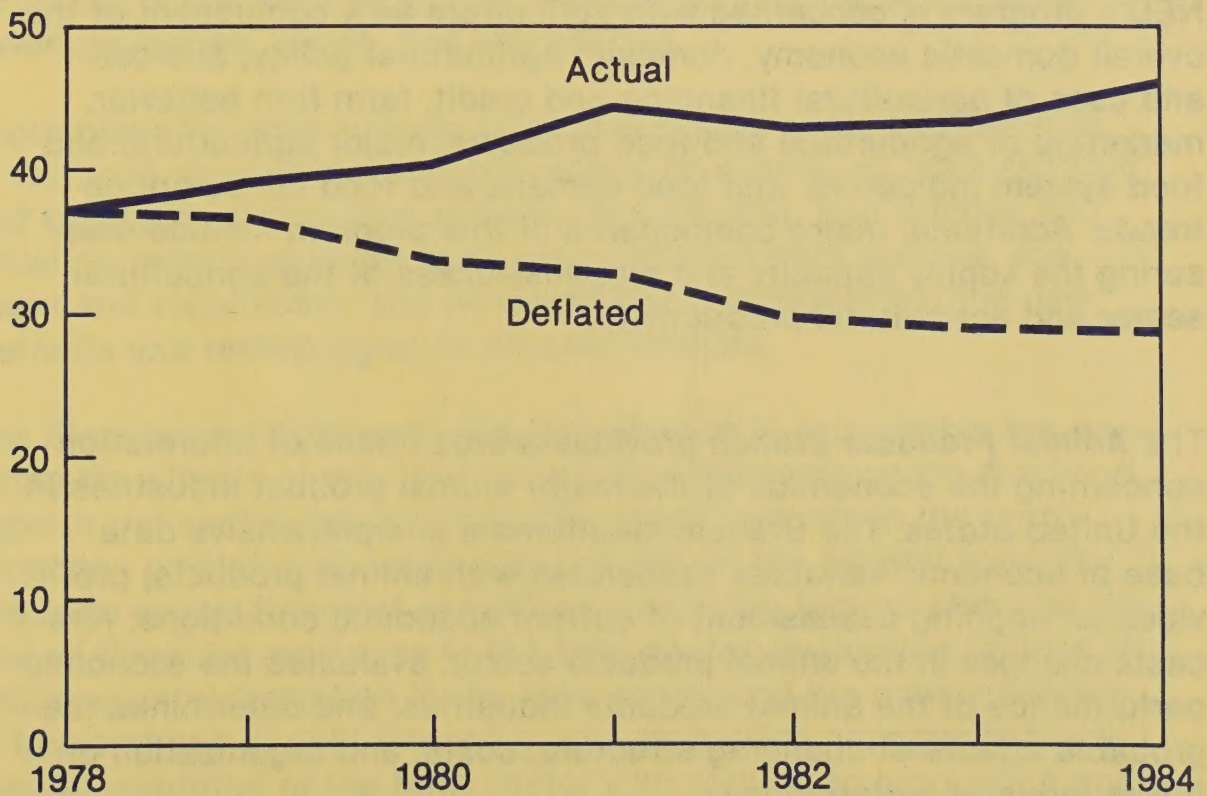


ERS Program-1978 Compared With 1984



ERS Budget History

Million dollars (funds from all sources)



National Economics

The National Economics Division (NED) program includes:

- Research on the economic behavior of consumers, agribusiness managers, and producers.
- Research on interdependencies of the U.S. agriculture and food system with the general U.S. economy.
- Analysis of current status of commodity markets, input markets, credit, and policies.
- Estimation of performance and well-being indicators of the U.S. agriculture and food system.
- Staff analyses to support public policy decisionmaking.

While NED's various branches have specialized areas of concentration, discussed below, the general themes of NED's program are analysis of the current agricultural situation, outlook forecasting, assessment of major U.S. agricultural policy issues, and longer term research with special emphasis on the performance of major sectors of the agricultural and food system.

NED's program is concerned with agriculture as a component of the overall domestic economy, domestic agricultural policy, sources and uses of agricultural financing and credit, farm firm behavior, marketing of agricultural and food products, major agricultural and food system indicators, and food demand and food consumption trends. Additional major components of this program include measuring the supply capacity and responsiveness of the agricultural sector and agricultural productivity.

The **Animal Products Branch** provides a broad base of information concerning the economics of the major animal product industries in the United States. The Branch: maintains a comprehensive data base of economic variables associated with animal products; provides an ongoing assessment of current economic conditions; forecasts changes in the animal products sector; evaluates the economic performance of the animal products industries; and determines the probable effects of changing structure, costs, and organization on future industry performance.

Major plans for 1984 include: (1) issuing 10 outlook and situation reports; (2) publishing results and policy implications of research on milk and dairy product pricing systems; (3) evaluating the economic performance of the pork, fed cattle, and broiler sectors; (4) maintaining ongoing cost-of-production data for beef cattle, hogs, sheep, and dairy sectors; and (5) estimating the value of public land for grazing use and evaluating alternative grazing fee systems.

The **Crops Branch** assembles information and conducts economic analyses on production, marketing, demand, pricing, and distribution of major field crops grown in the United States. The Branch maintains a broad base of general knowledge about the field crops sector, operates a research-based situation and outlook program, and conducts research projects that enhance the Branch's ability to explain and predict economic phenomena.

Major plans for 1984 include: (1) completing three crop industry reports—soybeans, cotton, and oats—and updating a barley industry report; (2) studying the feed-manufacturing industry; (3) updating and modifying the feed-livestock modeling system; and (4) publishing a statistical bulletin on grain supply, distribution, and prices.

The **Fruits, Vegetables, and Sweeteners Branch** maintains a broad data base of economic information and conducts research on the supply, demand, pricing, production, marketing, structure, and performance of the fruit, vegetable, sweetener, tree nut, and tropical beverage (coffee, cocoa, and tea) sectors.

Major plans for 1984 include: (1) assessing the costs and benefits of fruit and vegetable marketing orders; (2) examining the fresh fruit and vegetable distribution system; (3) publishing four outlook and situation reports each for fruits, vegetables, coffee and tea, and sugar and sweeteners; and (4) identifying and describing the new methods and technologies to process produce.

The **Finance and Aggregate Analysis Branch** is responsible for: analyzing the effects of macroeconomic developments on the food and agricultural sector and for evaluating developments in the farm economy; providing an integrated outlook on the general economy and farm sector financial conditions; analyzing factors affecting the flow of financial resources to the farm sector; evaluating factors affecting capital formation in the farm sector and the consequences of farmers' use of debt financing; and evaluating changes in the financial condition of the farm sector with respect to production and marketing of agricultural commodities.

National Economics Division, Planned Resources, FY 1984

Branch and Section	Funds			Staff		
	Appropriated to ERS	Other ¹	Total	D.C.	Other locations	Total
	----- 1,000 dollars -----			----- Number ² -----		
Animal Products:						
Office of the Branch						
Chief	171	—	171	2.4	—	2.4
Supply, Demand, and						
Price Analysis	414	—	414	11.0	—	11.0
Dairy Research	285	—	285	5.0	1.6	6.6
Red Meat Research	376	60	436	3.0	4.8	7.8
Poultry Research	234	—	234	3.6	2.0	5.6
Subtotal	1,480	60	1,540	25.0	8.4	33.4
Crops:						
Office of the Branch						
Chief	102	—	102	2.0	—	2.0
Supply, Demand, and						
Price Analysis	603	—	603	15.1	—	15.1
Grains and Feeds						
Research	726	—	726	7.0	4.8	11.8
Fibers and Oils						
Research	449	—	449	7.9	2.1	10.0
Subtotal	1,880	—	1,880	32.0	6.9	38.9
Fruits, Vegetables, and						
Sweeteners:						
Office of the Branch						
Chief	83	—	83	2.0	—	2.0
Supply, Demand, and						
Price Analysis	480	—	480	12.9	—	12.9
Fruits and Vegetables						
Research	235	—	235	4.0	2.0	6.0
Sweeteners Research	150	—	150	3.1	—	3.1
Subtotal	948	—	948	22.0	2.0	24.0
Finance and Aggregate						
Analysis:						
Office of the Branch						
Chief	81	—	81	2.0	—	2.0
National Aggregate						
Analysis	305	—	305	8.0	—	8.0
Macroeconomic						
Analysis	316	—	316	7.7	—	7.7
Credit and Tax Policy	359	—	359	6.0	.8	6.8
Agricultural Finance	191	—	191	4.8	—	4.8
Subtotal	1,252	—	1,252	28.5	.8	29.3
Farm Sector Economics:						
Office of the Branch						
Chief	144	—	144	2.0	—	2.0
Organizational Analysis	280	12	292	6.1	0.3	6.4
Farm Production						
Economics	308	—	308	4.9	1.7	6.6
Technology and						
Productivity	227	—	227	6.3	—	6.3
Coordination and						
Exchange	317	—	317	5.5	1.0	6.5
Subtotal	1,276	12	1,288	24.8	3.0	27.8

See footnotes at end of table.

National Economics Division, Planned Resources, FY 1984—Continued

Branch and Section	Funds			Staff		
	Appropriated to ERS	Other ¹	Total	D.C.	Other locations	Total
	----- 1,000 dollars -----			----- Number ² -----		
Food Economics:						
Office of the Branch						
Chief	117	77	194	3.1	—	3.1
Food Demand						
Research	214	—	214	5.2	—	5.2
Food Distribution						
Research	361	—	361	8.8	—	8.8
Food Manufacturing	381	—	381	7.1	1.0	8.1
Food Protection						
Research and Analysis	111	—	111	3.6	—	3.6
Transportation						
Research	265	—	265	7.0	—	7.0
Subtotal	1,449	77	1,526	34.8	1.0	35.8
Agricultural History:						
Office of the Branch						
Chief	135	—	135	3.0	—	3.0
History of Agricultural						
Policies and						
Programs	201	—	201	6.8	—	6.8
History of Food and						
Farming	231	23	254	6.7	1.0	7.7
Subtotal	567	23	590	16.5	1.0	17.5
Economic Indicators						
and Statistics:						
Office of the Branch						
Chief	165	—	165	2.0	—	2.0
Food Market Analysis	358	—	358	10.0	—	10.0
Farm Expense and						
Productivity	2,338	—	2,338	10.0	3.0	13.0
Farm Income and						
Balance Sheet	481	—	481	15.4	—	15.4
Economic Indicators						
Research and						
Forecasts	182	—	182	5.0	.5	5.5
Subtotal	3,524	—	3,524	42.4	3.5	45.9
Food and Agricultural						
Policy:						
Office of the Branch						
Chief	180	—	180	2.5	—	2.5
Agricultural Policy	545	—	545	12.0	—	12.0
Policy Systems	352	—	352	8.8	—	8.8
Food Policy	206	120	326	7.7	—	7.7
Subtotal	1,283	120	1,403	31.0	—	31.0
Office of the Director	645	—	645	12.0	—	12.0
Total, NED	14,304	292	14,596	269.0	26.6	295.6

— = Less than \$500 or 0.5 staff.

¹Principally other Federal funds.

²Full-time equivalent of all employees.

Major plans for 1984 include: (1) developing information and modeling systems for conducting aggregate analysis; (2) developing ways to measure the impact on the farm economy of changes in macro-economic policies and developments in the farm economy; (3) analyzing the economic consequences of Federal credit for agriculture; and (4) analyzing economic forces affecting agricultural investment and their implications for longrun profitability, production costs, and supply.

The ***Farm Sector Economics Branch*** analyzes and maintains data bases on: the economic and financial organization of individual farms and the farm sector as a whole; the behavioral, institutional, and technological constraints, rules, and relationships that determine or influence the operation of farms and the farm sector as a whole; and on measures of aggregate and individual farm performance, including costs and returns, capital and wealth accumulation, productivity, and economic efficiency.

Major plans for 1984 include: (1) describing the structure of large and small farms; (2) analyzing individual producer responses to economic conditions to discern the causes of structural change of family farms; (3) developing improved concepts and measurements of productivity in the farm sector; and (4) analyzing alternatives for restructuring marketing orders in line with Presidential directives, the performance of futures markets, and the price performance of alternative exchange arrangements.

The ***Food Economics Branch's*** principal objective is to provide timely, comprehensive economic information about the food system to farmers, marketers, consumers, and policymakers. The research complements the Division's market research, policy analysis, and situation and outlook work. Areas encompassed by the Branch include: consumer demand for food and related services; structure, behavior, and performance of the food manufacturing, distribution, transportation, and storage systems; and public regulatory policies and decisions as they affect the performance of the food marketing system and consumer demand for food.

Major plans for 1984 include: (1) analyzing variations in food prices by location and store type; (2) assessing changes in the structure of food manufacturing and their marketing implications; (3) assessing the structure and pricing practices of the waterborne transportation sector; (4) publishing a complete set of direct, cross-price, and income elasticity estimates for 40 food commodities; and (5)

completing a study estimating the value to consumers of food information.

The ***Agricultural History Branch*** brings a historical perspective to bear on current problems relating to agricultural policies and programs, food, and farming. That perspective is achieved through research, and by maintaining historical data bases, an agricultural economics reading room, and an agricultural economics literature retrieval system (in cooperation with the American Agricultural Economics Association).

Major plans for 1984 include: (1) publishing studies on USDA's livestock and meat programs, the history of rural life, 1890 colleges, and the Extension Service; and (2) preparing analyses of the New Deal farm programs, western U.S. land use, the organization of USDA, farm programs, and changes in farming.

The ***Economic Indicators and Statistics Branch*** estimates income, production costs, and productivity and balance sheet statistics that describe the agricultural sector's economic performance and well-being; prepares cost and return estimates for specific enterprises, farm firms, and the farm sector as a whole; and estimates changes in food prices, consumption, farm to retail price spreads, and food marketing costs.

Major plans for 1984 include: (1) reviewing and revising the farm income, balance sheet, and marketing bill data series to provide a stronger conceptual foundation and improved data base; (2) improving modeling and forecasting tools for income, balance sheet, and food situation and outlook work; (3) undertaking conceptual work related to the methodology used to estimate depreciation, farm income, labor usage, and rates of return to farm assets; (4) examining price weights used in food consumption indexes to ensure use of the best available data, and working to make market basket categories consistent with the Consumer Price Index; and (5) publishing handbooks on the methodology underlying the Branch's statistical series.

The ***Food and Agricultural Policy Branch*** conducts research and analysis on topics related to food and agricultural policy, prepares staff reports on policy alternatives, and develops and maintains modeling systems for policy, situation, and outlook analyses. The research focuses on food and farm commodity programs.

Major plans for 1984 include: (1) publishing *Agricultural Food Policy Review*, addressing issues for the 1985 farm bill; (2) contributing to the ERS world food study; (3) reestimating the Food and Agricultural Policy Simulator (FAPSIM) model; (4) analyzing participation in Commodity Credit Corporation and farmer-owned reserve programs; (5) developing fruit and vegetable commodity models for analysis of Federal programs; and (6) assessing the impact of changes in food stamp legislation, the nutritional needs of the elderly, and the impact of commodity program changes on farm and consumer prices, farm incomes, and consumer expenditures.

International Economics

The International Economics Division's (IED) program includes:

- Research to provide understanding and quantification of the economic relationships determining agricultural production, consumption, prices, and trade within and among the countries of the world.
- Monitoring current conditions of world agriculture, interpreting the implications of those conditions and changes for U.S. agriculture, and forecasting world agricultural conditions and agricultural trade in the short and medium term.
- Maintaining the analytical capacity to respond rapidly to the concerns of the Executive Branch and Congress with respect to global agriculture and U.S. agricultural trade.

The objective of IED's program is to develop timely information about world agriculture and its relation to the well-being of the U.S. agriculture and food system. IED recognizes the interdependent nature of the world's agricultural economies. But the global agricultural economy is far too large and complex to be effectively analyzed as a single system. Thus, many of IED's individual activities focus on discrete subsets of countries, commodities, and policies.

In 1984, IED is improving its ability to analyze the linkage between macroeconomic conditions and policies and the performance of agriculture and agricultural trade in the world. Special attention is being given to the effects of institutional and political factors on agriculture and agricultural trade. Two world agricultural trade models will facilitate the integration of specific research findings into a global analytical context.

Special emphasis is also being placed on better understanding the political, economic, and social forces that shape policies of major trading partners and competitors. IED is improving procedures to estimate long-term shifts in world agricultural supply and demand and changes in trade patterns and food aid needs.

Data and analytical frameworks are now available for analyzing agricultural supply and demand conditions in countries economically or politically important to the United States. During the next 3-5 years, IED will improve its capacity to monitor international macro-

economic developments, including capital flows, exchange rate changes, and debt burden, and to estimate the effects of those factors on U.S. agriculture.

The **World Analysis Branch** is responsible for preparing ERS's assessment of the world food and agricultural situation and outlook, maintaining the ERS outlook and situation information data base (OASIS), developing and maintaining a data base on world and U.S. agricultural production and trade, and publishing U.S. agricultural trade statistics.

Major plans for 1984 include: (1) developing aggregate measures of productivity in the agricultural and food sector for various countries and regions of the world; (2) integrating prices and exchange rates into the foreign baseline forecasts; and (3) upgrading the world food and agriculture production and trade data systems.

The **Trade Policy Branch** provides information on international economic and trade policies that affect U.S. agricultural trade, conducts research on the most important aspects of these policies, and provides projections and analyses of U.S. agricultural trade as it relates to major international economic and policy changes. ➤

Major plans for 1984 include: (1) analyzing trade issues related to the 1985 farm bill; (2) evaluating alternative U.S. farm programs under various international economic and policy scenarios; (3) developing and operating a system to relate macroeconomic changes (in exchange rates or growth rates, for example) to U.S. agricultural trade; (4) preparing a study of stockholding policies and behavior in major grain-producing and grain-consuming countries of the world; and (5) preparing projections of world food supply and demand to the year 2000 under alternative assumptions.

The **Agricultural Development Branch** conducts research on regional and world agricultural and economic growth as it affects U.S. agricultural markets. The Branch examines factors affecting the supply of and demand for agricultural commodities in foreign countries and macroeconomic and other factors affecting the volume and composition of agricultural trade of foreign countries. As part of its research responsibilities, the Branch publishes annually *World Food Aid Needs and Availabilities* and manages the World Food and Agricultural Information System (FAIS).

Major plans for 1984 include: (1) completing the world food situation and prospects study (supply side); (2) completing a report on world agricultural land resources; (3) extending analysis of food consumption patterns to additional countries; (4) initiating work on the relationship between demand for agricultural commodities and economic development in foreign countries; (5) developing and publishing a summary statement on the relationship between agricultural development in the low- and middle-income countries and their agricultural trade; and (6) preparing and publishing *World Food Aid Needs and Availabilities, 1984*.

The **Africa and Middle East Branch** monitors and analyzes agricultural production, demand, and trade conditions in some of the world's richest countries (OPEC members) and some of its poorest (Sub-Saharan Africa). The United States is interested in both groups of countries. Low agricultural productivity in poorer countries has greatly increased their food import requirements, making the dual issues of food aid and agricultural performance paramount. Analysis of wealthier countries focuses on identifying the economic and political forces that affect demand and U.S. trade prospects, especially in the key oil-producing countries of West Africa, North Africa, and the Middle East.

Major plans for 1984 include: (1) publishing reports on Sub-Saharan Africa's long-term (to 1990) food aid needs and on short-term forecasts of food aid needs; (2) analyzing the impact of Kenya's policies on its agricultural performance; (3) assessing Zimbabwe's export potential; (4) analyzing long-term food import prospects in oil-producing West African countries; (5) publishing export market profiles of Saudi Arabia, Egypt, Algeria, and Nigeria; and (6) examining the growth potential of livestock industries in North Africa and the Middle East and the implications for U.S. food and feed exports.

The **Asia Branch** monitors the current agricultural situation, assesses the outlook in Asian countries, analyzes the effects of developments and events in the region on U.S. agricultural trade, and conducts research on agricultural commodity supply and demand relationships, agricultural structure, and institutions and policies as they affect production, utilization, and agricultural trade. The research emphasizes developing improved methodology for supply and demand estimation and assessing the longer term trade implications of evolutionary changes in the agricultural and general economies of Asian countries.

Major plans for 1984 include: (1) publishing situation and outlook reports for China, East Asia, Southeast Asia, and South Asia; (2) completing agricultural sector models for Japan and Taiwan; and (3) publishing export market profiles for South Korea, Indonesia, and China.

The **Latin America Branch** produces information needed by USDA agencies and others to make decisions on programs and strategies relating to Latin American trade in farm products. The Branch analyzes the situation and outlook for U.S. farm commodities in Latin American markets and conducts research on agricultural commodity demand, supply, and trade in the region. Nearly equal emphasis is given to the three major countries—Mexico, Brazil, and Argentina—and to the three major subregions—the Andes, Central America, and the Caribbean. The situation and outlook program is geared to providing up-to-date and reliable information on world markets for American farm products. The research program's goal is to improve the capacity to analyze and project events and policies that significantly affect U.S. agricultural trade.

Major plans for 1984 include: (1) preparing a publicly accessible data base for 17 major Latin American countries; (2) issuing bulletins on agricultural statistics for Latin America and on trade statistics for the Caribbean Basin; (3) publishing export market profiles for Venezuela, Brazil, Mexico, Honduras, Costa Rica, Colombia, and Jamaica; and (4) publishing reports on the current and prospective trade situation, the production potential of Brazil, Argentina, and Mexico, the Brazilian soybean industry, and Ecuadorian agriculture.

The **Eastern Europe and U.S.S.R. Branch** develops agricultural economic information on the Soviet Union and Eastern Europe, and conducts research to identify the underlying factors driving agricultural production, trade, and consumption in the U.S.S.R. and Eastern Europe. The entire scope of these activities is directed at enhancing the prospects for U.S. agricultural exports.

Major plans for 1984 include: (1) publishing an annual situation and outlook report on the U.S.S.R.; (2) publishing an annual situation and outlook report on Eastern Europe; (3) publishing a research report on the Soviet feed-livestock economy; and (4) publishing a research report on agricultural reforms in Eastern Europe and their impact on Soviet policy.

The **Western Europe Branch** studies the future demand in Western Europe, especially in the European Community, for U.S. agricultural

products, and analyzes factors affecting the competitiveness in world markets of U.S. versus West European agricultural products. The research program focuses on in-depth analyses of those factors with major emphasis on the feed-livestock sector, policy issues impacting U.S.-EC agricultural trade, and the performance and structure of West European agriculture.

Major plans for 1984 include: (1) preparing a regional situation and outlook report on agricultural production, consumption, and trade in Western Europe, particularly the EC, and the short-term trade implications for the United States; (2) updating information on the agricultural policies and policy initiatives of the EC that affect U.S. agricultural trade; (3) analyzing the implications of Spain's and Portugal's membership in the EC on the Common Agricultural Policy and on U.S. agricultural exports; (4) analyzing the organization and performance of the United Kingdom's agricultural processing and food distribution system to determine opportunities for marketing high-value U.S. agricultural products; and (5) assessing the impact of changes in energy costs on agricultural commodity supply response.

The ***North America and Oceania Branch*** analyzes the current situation and outlook for agricultural commodities in Canada and Oceania, coordinates ERS's situation and outlook program, and carries out a research program that focuses on the demand, supply, and trade of agricultural commodities produced in North America and Oceania. Emphasis is placed on conducting research on those commodities produced in Australia and Canada that directly affect U.S. agricultural interests.

Major plans for 1984 include: (1) analyzing the situation and outlook for agricultural commodities in Canada and Oceania; (2) studying the production and export potential of the grain sectors of Canada and Australia; and (3) contributing to the ERS world food study.

International Economics Division, Planned Resources, FY 1984

Branch and Section	Funds			Staff		
	Appropriated to ERS	Other ¹	Total	D.C.	Other locations	Total
	----- 1,000 dollars -----			----- Number ² -----		
World Analysis:						
Office of the Branch						
Chief	60	—	60	0.7	—	0.7
Commodity Analysis	344	20	364	10.7	—	10.7
Food and Agricultural						
Statistics	382	30	412	11.6	—	11.6
Outlook Systems	297	20	317	6.3	—	6.3
Price Analysis and						
Outlook Reporting	179	20	199	5.7	—	5.7
Subtotal	1,262	90	1,352	35.0	—	35.0
Trade Policy:						
Office of the Branch						
Chief	50	—	50	.7	—	.7
Policy Intelligence	200	—	200	4.5	—	4.5
Policy Systems	490	—	490	9.0	—	9.0
Commodity Policy	518	—	518	7.8	2.0	9.8
Subtotal	1,258	—	1,258	22.0	2.0	24.0
Agricultural Development:						
Office of the Branch						
Chief	56	—	56	.4	—	.4
Resources and						
Technology	210	—	210	4.9	—	4.9
Food Demand and						
Utilization	105	—	105	2.2	—	2.2
Trade and Development	137	57	194	4.5	—	4.5
Subtotal	508	57	565	12.0	—	12.0
Africa and Middle East:						
Office of the Branch						
Chief	26	—	26	.7	—	.7
Situation and Outlook	370	72	442	8.3	—	8.3
Research	307	137	444	9.0	—	9.0
Subtotal	703	209	912	18.0	—	18.0
Asia:						
Office of the Branch						
Chief	50	—	50	.6	—	.6
Situation and Outlook	330	45	375	9.2	—	9.2
People's Republic of						
China	256	—	256	6.3	—	6.3
Country Structure,						
Demand, and Trade	240	—	240	5.9	—	5.9
Subtotal	876	45	921	22.0	—	22.0

See footnotes at end of table.

International Economics Division, Planned Resources, FY 1984—Continued

Branch and Section	Funds			Staff		
	Appropriated to ERS	Other ¹	Total	D.C.	Other locations	Total
	----- 1,000 dollars -----			----- Number ² -----		
Latin America:						
Office of the Branch						
Chief	40	—	40	.5	—	.5
Situation and Outlook	285	36	321	8.5	—	8.5
Demand, Trade, and						
Structure	268	—	268	7.0	—	7.0
Subtotal	593	36	629	16.0	—	16.0
Eastern Europe and						
U.S.S.R.:						
Office of the Branch						
Chief	40	—	40	.5	—	.5
U.S.S.R.	300	—	300	8.4	—	8.4
Eastern Europe	189	—	189	5.1	—	5.1
Subtotal	529	—	529	14.0	—	14.0
Western Europe:						
Office of the Branch						
Chief	13	—	13	.3	—	.3
Situation and Outlook	275	—	275	6.7	—	6.7
Demand and Trade	205	—	205	5.0	—	5.0
Country Agriculture						
Structure	205	—	205	5.0	—	5.0
Subtotal	698	—	698	17.0	—	17.0
North America and						
Oceania:						
Office of the Branch						
Chief	20	—	20	.5	—	.5
Situation and Outlook	217	—	217	5.8	—	5.8
Demand, Trade, and						
Structure	247	—	247	6.7	—	6.7
Subtotal	484	—	484	13.0	—	13.0
Office of the Director	420	—	420	9.0	—	9.0
Total, IED	7,331	437	7,768	178.0	2.0	180.0

— = Less than \$500 or 0.5 staff.

¹Principally other Federal funds.

²Full-time equivalent of all employees.

Natural Resource Economics

The Natural Resource Economics Division's (NRED) program includes:

- Research on the economics of the use, conservation, development, and ownership of natural resources.
- Research on the supply of and demand for agricultural production inputs.
- Assessment of changes in agricultural production technology.
- Assessment of environment quality.

Emphasis is on national and regional problems of land and water management as they pertain to U.S. agricultural capacity. NRED's program is also concerned with the productivity of farm inputs, and with the environmental impacts on and from agriculture. The 1984 program emphasizes natural resource policy, situation and outlook for manufactured inputs, land and water use, farmland values, and the economics of soil and water conservation.

Some of NRED's major activities in 1984 include evaluating the consistency of USDA commodity programs with soil conservation objectives, preparing periodic situation and outlook reports on manufactured inputs, developing a new statistically based survey to estimate agricultural land values, preparing a preliminary summary report of a national survey of farmers' investments in soil conservation practices, compiling a state of knowledge report on the economics of soil conservation, and completing a report on water issues.

The **Water Economics Branch** emphasizes research on the interrelationships between technological change, institutional reforms, and public programs. The Branch's objectives are: to assess the status and trends in farmers' water use and management; to examine water resource institutions, laws, and regulations that determine the allocation and use of water; to analyze economic factors that influence the widespread adoption of improved water management practices; and to assess alternative public policies aimed at enhancing the structure and performance of the agricultural sector through better water management.

Major plans for 1984 include: (1) publishing a series of reports on trends in irrigation and drainage; (2) documenting sources of water

information; (3) drafting a preliminary design of a water information management system; (4) assessing water institutions and the roles they may play in improving farmers' use and management of water; (5) compiling information on the economic feasibility of modern irrigation practices and programs to enhance their adoption and diffusion; (6) analyzing the consistency between U.S. commodity policies and responsible water use in agriculture; (7) appraising the benefits and costs of water scheduling in irrigation; and (8) evaluating how water affects U.S. agricultural production capacity.

The **Natural Resource Policy Branch** was created in 1984 to identify and analyze public policy issues concerning the availability, use, productivity, ownership, and cost of land and water, and the quality of the environment. The work includes short-term analyses of current and prospective policies, and policy studies of a more in-depth nature.

Major plans for 1984 include: (1) establishing the Branch as the focal point of ERS and NRED resource policy information and analysis; (2) studying the consistency between commodity programs and soil and water conservation objectives; (3) analyzing 1985 farm bill issues; (4) providing analytical support for the 1985 appraisal of resource conditions and trends required by the Resources Conservation Act; (5) developing an improved system for making longrun projections of U.S. agriculture's natural resource base and; (6) testing the ability of representative farm models to trace the resource impacts of alternative policies at the farm level.

The **Land Economics Branch's** research focuses on the property rights system, how landownership patterns affect resource use and distribution of wealth and income, and how land affects U.S. agricultural production capacity. The Branch's specific areas of inquiry include: the economics of land use and tenure; the institutions, laws, and rules by which land use decisions are made; land prices and valuation; the distribution of benefits of land use among private and public groups; and the productive capacity of the Nation's land base.

Major plans for 1984 include: (1) developing a new, statistically based survey to determine agricultural land values; (2) inaugurating a series of special studies to extend the scope and enhance the quality of the *Farm Real Estate Market Development* outlook and situation reports; (3) publishing an annual report on current cropland use trends and *Major Land Use Inventory* based on 1982 Bureau of the

Census data; (4) publishing reports on cropland availability and economic factors affecting cropland development; and (5) preparing an annual report to Congress on foreign investment in U.S. agricultural land.

The **Soil Conservation Economics Branch** develops economic information for erosion control policies, programs, and practices aimed at achieving public goals of maintaining long-term soil productivity and reducing nonpoint pollution of the Nation's waterways. Major areas of research include: trends in public and private actions and investments to conserve soil and reduce adverse impacts on water quality; economic efficiency of alternative soil conservation technologies and implementation measures; and soil conservation policy and program options.

Major plans for 1984 include: (1) preparing a preliminary summary report of the soil conservation survey component of the Farm Production Expenditures Survey; (2) designing an interregional soil conservation policy analysis model; and (3) publishing reports on the state of knowledge about the economics of soil conservation practices, the development and application of the Erosion Productivity Impact Calculator (EPIC) model, Rural Clean Water Program interim evaluation, impacts of targeting soil conservation programs to critical regions, and *An Economic Perspective on Soil Conservation and Implications for Public Policy*.

The **Inputs and Productivity Branch** emphasizes developing and maintaining data bases needed to keep abreast of the input market situation and of the productivity of those inputs with respect to varying price relationships. Specific topics of Branch research include: supply, demand, price, and utilization relationships for manufactured inputs used in agriculture; productivity of agricultural inputs and the impacts of newly available technologies on resource use and productivity; effectiveness of input industries in meeting agriculture's needs; effects of domestic farm policies and international trade on the input industry structure and performance; energy development and conservation with respect to resource use in agriculture; effects of environmental regulations (particularly pesticide regulations) on the productivity of U.S. agriculture; and the economic implications of Federal and State pest control options and programs.

Major plans for 1984 include: (1) publishing periodic outlook and situation reports for manufactured inputs; (2) estimating the effects of

energy prices on agricultural productivity; (3) assessing the effects of natural gas price increases on the food processing industry; (4) analyzing the impacts of proposed EPA pesticide regulations; (5) assessing the impacts on agriculture of coal slurry development; and (6) estimating the benefits and costs of alternative strategies aimed at mitigating crop damage from gaseous air pollutants.

Natural Resource Economics Division, Planned Resources, FY 1984

Branch and Section	Funds			Staff		
	Appropriated to ERS	Other ¹	Total	D.C.	Other locations	Total
	----- 1,000 dollars -----			----- Number ² -----		
Water Economics:						
Office of the Branch						
Chief	78	—	78	2.0	—	2.0
Water Supply and Use	423	28	451	5.0	7.0	12.0
Water Conservation and Policy	335	57	392	2.0	7.0	9.0
Subtotal	836	85	921	9.0	14.0	23.0
Natural Resource Policy:						
Office of the Branch						
Chief	102	—	102	2.0	—	2.0
Policy Research	286	80	366	6.0	3.5	9.5
Analytical Systems	389	135	524	7.0	7.4	14.4
Subtotal	777	215	992	15.0	10.9	25.9
Land Economics:						
Office of the Branch						
Chief	82	—	82	2.0	—	2.0
Landownership, Transfers, and Values	1,298	—	1,298	11.0	4.2	15.2
Land Use and Competition	377	76	453	6.0	6.4	12.4
Subtotal	1,757	76	1,833	19.0	10.6	29.6
Soil Conservation Economics:						
Office of the Branch						
Chief	73	—	73	2.0	—	2.0
Conservation Investment and Impacts	1,283	345	1,628	3.8	13.0	16.8
Soil Conservation Practices	656	283	939	3.8	20.4	24.2
Subtotal	2,012	628	2,640	9.6	33.4	43.0
Inputs and Productivity:						
Office of the Branch						
Chief	153	—	153	4.0	—	4.0
Input Markets and Policy Analysis	327	—	327	8.0	1.0	9.0
Technology and Productivity	238	—	238	3.0	2.0	5.0
Environmental Issues and Regulation	313	48	361	8.0	2.0	10.0
Input Supply, Demand, and Price Analysis	381	—	381	10.0	—	10.0
Subtotal	1,412	48	1,460	33.0	5.0	38.0
Office of the Director	426	310	736	11.0	—	11.0
Total, NRED	7,220	1,362	8,582	96.6	73.9	170.5

— = Less than \$500 or 0.5 staff.

¹Principally other Federal funds.

²Full-time equivalent of all employees.

Economic Development

The Economic Development Division's (EDD) program includes:

- Research to support USDA programs of nonfarm, rural assistance—loans, grants, and guarantees to individuals, firms, and local governments.
- Leadership in rural economic development research.
- Research to support the development of USDA strategies and goals required by the Rural Policy Act of 1980.

To meet these responsibilities, the Division tracks and analyzes trends and causes of change in rural population, employment, income, housing, credit, and local government services and finances.

Federal programs for rural development were shaped principally in response to problems of population decline, inadequate housing, underdeveloped private and public infrastructure, and rural poverty. Rural conditions changed dramatically in the 1970's: population and employment grew throughout rural America, and incomes rose significantly. Those changes have major implications for Federal programs. To make USDA a more informed advocate of rural people and communities, EDD's research program will give priority over the next 5 years to increasing public understanding of the changes.

The **Community Resources Branch** conducts basic and applied research on rural housing, business, and credit, State and local government services, and the impacts of Federal policy on rural areas. Branch research emphasizes: the condition of rural housing and characteristics of occupants; the role of credit and characteristics of credit markets, for both housing and business; changes in the economic structure of rural areas; and factors affecting services provided rural people by their State and local governments, as well as the financing of those services.

Major plans for 1984 include: (1) analyzing detailed 1980 Census of Population and Housing data to provide a decennial baseline on rural housing; (2) developing a preliminary socioeconomic classification of U.S. counties; (3) completing an inventory of selected community facilities; (4) initiating work on economic linkages between agriculture and rural economies; and (5) analyzing industries that are important contributors to nonmetro economies.

The **Human Resources Branch** has the USDA responsibility for developing basic data and conducting research on human resources. Principal concerns include: the rural population, its characteristics, migration, vital statistics, and well-being; the sources, levels, and distribution of personal income among rural people, including farm families, and alternative strategies for income improvement; employment and employment-related characteristics of the farm labor force and nonmetro nonfarm labor force; and the effects of economic development and growth on population groups and labor markets in nonmetro areas.

Major plans for 1984 include: (1) collecting data in a third survey of the distributional effects of rural growth (Arkansas and Missouri retirement and recreation area); (2) redirecting resources from work on income assistance, income security, and social services delivery programs to demographic analysis of poverty households; (3) delineating local labor market areas to serve as the principal analytic units for EDD's labor research program; (4) examining changes in nonmetropolitan population, income, employment, and housing that occurred in the 1970's; and (5) reassessing the adequacy of the current definition of farm population.

Economic Development Division, Planned Resources, FY 1984

Branch and Section	Funds			Staff		
	Appropriated to ERS	Other ¹	Total	D.C.	Other locations	Total
	----- 1,000 dollars -----			----- Number ² -----		
Community Resources:						
Office of the Branch						
Chief	301	—	301	3.0	3.0	6.0
Housing	276	—	276	8.0	—	8.0
State and Local						
Government	380	30	410	10.0	1.0	11.0
Rural Business and						
Credit	540	—	540	13.0	1.0	14.0
Subtotal	1,497	30	1,527	34.0	5.0	39.0
Human Resources:						
Office of the Branch						
Chief	91	—	91	2.0	—	2.0
Population Studies	308	—	308	8.0	—	8.0
Rural Labor Markets	821	—	821	14.0	1.0	15.0
Income Studies	742	—	742	13.0	2.0	15.0
Subtotal	1,962	—	1,962	37.0	3.0	40.0
Office of the Director	459	—	459	10.0	—	10.0
Total, EDD	3,918	30	3,948	81.0	8.0	89.0

— = Less than \$500 or 0.5 staff.

¹Principally other Federal funds.

²Full-time equivalent of all employees.

Data Services Center

The Data Services Center (DSC) provides a full range of services to support the data processing needs of ERS. Primary emphasis is on overall applications support, data base management and development, and providing a complete set of information resources to ERS.

The longrun plans of DSC are directed to the use and management of information resources and include responsibility for data, data processing, office automation, telecommunications, and the electronic dissemination of information. A 5-year information management plan that includes development of an integrated economic information system is being implemented.

The ***Database Management and Development Branch's*** objectives are to develop data management standards, policies, and procedures for ERS, and to develop software to manage data and information. In particular, the Branch: maintains ERS's existing time series data base while developing ARIES, a new ERS data base management system; operates DSC's Data Resource Center; publishes a data processing newsletter; and develops data-naming classification systems.

Major plans for 1984 include: (1) completing the loading of a major portion of ERS's time series data onto the new data base management system; (2) completing the development of the data-naming classification system; and (3) planning for electronic dissemination of information.

The ***Information Resources Branch*** provides state-of-the-art software and hardware tools to ERS staff. In particular, the Branch is responsible for operating, maintaining, and enhancing ERS's minicomputer, its hardware and systems software, and several graphics and plotting devices. ADP security and accounting functions for ERS are contained in this Branch, and the Branch serves as ERS's liaison to USDA's Washington Computer Center. The Branch is also responsible for providing consultation, training, and analysis in support of microcomputers and in the selection and use of mathematical, statistical, and research methodologies.

Major plans for 1984 include: (1) upgrading and expanding the minicomputer to accommodate additional ERS functions including data preparation, data processing, management information systems, and ERS models; (2) providing system design support to ERS's

5-year information management plan; (3) providing enhanced microcomputer support; and (4) improving and enlarging DSC's library of statistical, mathematical, and graphics software.

The **National Economic Systems Branch** provides computer programming and systems analysis support for the research projects performed by the National Economics Division, represents the Division in matters requiring liaison between the research areas and technical computer areas such as data base management and mainframe operating environment, and analyzes the requirements for and feasibility of computer equipment and software.

Major plans for 1984 include: (1) putting data into the new ERS data base; (2) planning and implementing ERS's 5-year information management plan; (3) developing an improved farm income reporting system using microcomputers; (4) supporting the development of sector and policy models; and (5) maintaining and enhancing the current reporting systems at the Bureau of the Census.

The **International Economic Systems Branch** provides computer programming and systems analysis support for the research projects performed by the International Economics Division, represents the Division in matters requiring liaison between the research areas and technical computer areas such as data base management and mainframe operating environment, and analyzes the requirements for and feasibility of computer equipment and software.

Major plans for 1984 include: (1) putting data into the new ERS data base; (2) planning and implementing ERS's 5-year information management plan; (3) continuing the development of the new U.S. trade system, and continuing to enhance and improve world production indices and world trade systems; and (4) continuing to support the development of international trade models.

The **Human and Natural Resource Economic Systems Branch** provides computer programming and systems analysis support for the research projects performed by the Natural Resource Economics Division and the Economic Development Division, represents those Divisions in matters requiring liaison between the research areas and technical computer areas such as data base management and mainframe operating environment, and analyzes the requirements for and feasibility of computer equipment and software.

Major plans for 1984 include: (1) putting data into the new ERS data base; (2) planning and implementing ERS's 5-year information management plan; (3) continuing the review of data and file management needs in the Economic Development Division; and (4) assisting in the development of natural resource models and data bases.

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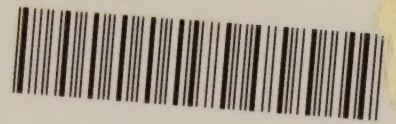
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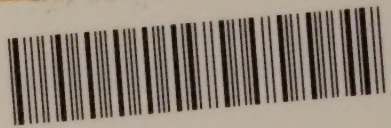
Data Services Center

Alice Tennies
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